

# Consolidated Cash Flow Statement

For the year ended 31st December, 2003

	<b>2003</b> <b>HK\$'000</b>	2002 <i>HK\$'000</i>
<b>OPERATING ACTIVITIES</b>		
Profit from operations	<b>42,782</b>	26,730
Adjustments for:		
Interest income	<b>(969)</b>	(1,186)
Amortisation of goodwill	<b>1,671</b>	1,613
Depreciation and amortisation of property, plant and equipment	<b>8,835</b>	9,855
Loss (gain) on disposal of property, plant and equipment	<b>182</b>	(498)
(Surplus) deficit on revaluation of investment properties	<b>(1,000)</b>	1,000
Impairment loss on investment securities	<b>1,991</b>	900
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Operating cash flows before movements in working capital	<b>53,492</b>	38,414
Increase in inventories	<b>(44,377)</b>	(15,128)
Increase in trade and other receivables	<b>(90,933)</b>	(67,071)
Decrease in bills receivable	<b>-</b>	1,472
Increase in trade and other payables	<b>2,379</b>	44,403
Increase in bills payable	<b>5,064</b>	15,554
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Cash (used in) generated from operations	<b>(74,375)</b>	17,644
Hong Kong Profits Tax paid	<b>(3,593)</b>	(2,161)
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<b>NET CASH (USED IN) FROM OPERATING ACTIVITIES</b>	<b>(77,968)</b>	15,483
<b>INVESTING ACTIVITIES</b>		
(Increase) decrease in pledged bank deposits	<b>(26,391)</b>	1,840
Purchase of property, plant and equipment	<b>(9,482)</b>	(10,398)
Purchase of club memberships	<b>(351)</b>	(151)
Additional investment in a subsidiary	<b>(150)</b>	-
Capital distribution received from an investee company	<b>3,413</b>	-
Interest received	<b>969</b>	1,186
Proceeds on disposal of property, plant and equipment	<b>19</b>	637
Repayment from an investee	<b>-</b>	21,923
Proceeds on disposal of an investment security	<b>-</b>	2
Additional investment in associates	<b>-</b>	(946)
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<b>NET CASH (USED IN) FROM INVESTING ACTIVITIES</b>	<b>(31,973)</b>	14,093

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	<b>2003</b> <b>HK\$'000</b>	2002 <i>HK\$'000</i>
FINANCING ACTIVITIES		
Bank and other borrowings raised	<b>1,071,620</b>	760,601
Contribution from a minority shareholder	<b>29</b>	600
Repayment of bank and other borrowings	<b>(943,479)</b>	(765,136)
Interest paid	<b>(10,078)</b>	(11,025)
Dividend paid	<b>(2,301)</b>	–
Repayment of obligations under finance leases	<b>(133)</b>	(68)
Interest on obligations under finance leases	<b>(32)</b>	(25)
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NET CASH FROM (USED IN) FINANCING ACTIVITIES	<b>115,626</b>	(15,053)
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NET INCREASE IN CASH AND CASH EQUIVALENTS	<b>5,685</b>	14,523
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CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	<b>11,742</b>	(2,781)
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CASH AND CASH EQUIVALENTS AT END OF THE YEAR	<b>17,427</b>	11,742
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ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	<b>28,935</b>	30,702
Bank overdrafts	<b>(11,508)</b>	(18,960)
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	<b>17,427</b>	11,742
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